

# INFORMATION LETTER

Not for  
Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

No. 619

Washington, D. C.

September 19, 1936

## WALSH-HEALEY ACT REGULATIONS

### Labor Department Interprets Government Contract Act Effective September 28th

On September 15th the Secretary of Labor, who is vested with administration of the Walsh-Healey Act, issued regulations construing and interpreting its provisions. The Act, which becomes effective September 28, 1936, seeks to apply N. R. A. principles to persons contracting with the government. As has been pointed out in previous issues of the INFORMATION LETTER, all contracts with government agencies for the manufacture or furnishing of materials, supplies, articles and equipment entered into pursuant to bids issued after the effective date of the Act must contain stipulations to the effect—

(1) That the contractor is the manufacturer or a regular dealer in the articles to be furnished. The regulations define a "manufacturer" to be a "person who owns, operates, or maintains a factory or establishment that produces upon the premises the \* \* \* articles \* \* \* required under the contract," and a "regular dealer" to be a "person who owns, operates, or maintains a store, warehouse or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the contract, are bought, kept in stock, and sold to the public in the usual course of business."

(2) That all persons employed in the performance of the contract will be paid not less than the prevailing minimum wages for the particular industry involved as determined by the Secretary of Labor pursuant to the terms of the Act. This stipulation becomes operative only after the Secretary has made a specific wage determination for the particular industry in question. As yet no such determinations have been made.

(3) That no persons so employed shall be permitted to work in excess of eight hours in any one day or in excess of forty hours in any one week, unless such person is paid such applicable overtime rate as has been set by the Secretary of Labor. The regulations prescribe this overtime rate to be one and one-half times the basic rate received by the employees.

(4) That no male person under sixteen years of age, no female under eighteen years of age, and no convict labor will be employed in the performance of the contract.

(5) That no part of the contract will be performed nor any of the articles manufactured under working conditions which are insanitary, hazardous, or dangerous to the health and safety of the employees engaged in the performance of the contract.

Under the regulations the contractor must also agree to post a copy of these stipulations at a prominent place in his plant, and to keep such employment records as are required by the regulations. The records required consist of the

name, address, sex, age and occupation of each employee covered by the contract, together with his wage and hour record.

These stipulations cover only those employees actually engaged in or connected with the "manufacture, fabrication, assembling, handling, supervision or shipment of materials, supplies, articles or equipment required under the contract." Office or custodial employees are not included.

The Act has no application to contracts for a definite amount not in excess of \$10,000.

### Exemptions and Exceptions from the Act

Ever since the passage of the Act considerable speculation has been had as to the meaning of Section 9 exempting all "purchases of such materials, supplies, articles, or equipment as may usually be bought in the open market." It has been contended that this section exempts all purchases of articles of a character usually carried in stock, and which are not manufactured according to particular specifications. Had this construction been adopted, the applications of the Walsh-Healey Act would have been greatly limited and the canning industry would, for the most part, have been exempt from its operation. The regulations, however, have adopted

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## FIBER BOX SPECIFICATIONS

### Canners Requested to Submit Views at Series of Hearings in October

The Consolidated Classification Committee has published in its Docket No. 67 three tentative proposals for the revision of specifications for fiber boxes for canned foods, hearings on which will be held at Atlanta on October 7th, New York October 14th, and Chicago October 20th.

All canners are interested in the proposed revision of these specifications, and they are urged to study the proposals and submit their views to the respective Classification Committees either by personal appearance at the hearings or submission of written arguments. The proposed changes in the specifications will be deviated or varied from after consideration, by the Classification Committees, of the information and facts submitted at the hearings.

Appointments for appearances at the hearings may be made by application to Mr. E. H. Dulaney, Chairman, Southern Classification Committee, 101 Marietta Street, Atlanta, Georgia; Mr. L. W. North, Official Classification Committee, 143 Liberty Street, New York City; and Mr. R. C. Fyfe, Western Classification Committee, Union Station, Chicago, Illinois.

Following on the next page is the statement of the tentative proposals as announced in Docket No. 67.

### Fiber Boxes for Canned Foods

The following proposals are placed on the docket in accordance with the admonishment of the Interstate Commerce Commission in the following quotation from its report in *Southern Kraft Corp., et al. vs. Akron, Canton and Youngstown Ry. Co., et al.* (198, I. C. C. 587):

"The public interest involved requires that the rule should not be relaxed. Moreover, the testimony regarding the deterioration of fiber boxes since the rule was relaxed in 1925, and the increase in loss and damage claims justify a thorough investigation of the entire subject by the carriers and shippers alike, with a view toward possible improvement of the fiber box as a shipping container."

During the entire year 1935 a survey was conducted at Chicago and New York to ascertain how fiber boxes used for shipment of canned foods were performing. Totals of 1597 cars and 1,829,125 cases were inspected.

The results of this survey lead the carriers to believe they should take steps to improve the quality of many boxes used for the shipment of canned goods.

These proposals are placed before manufacturers and shippers at this particular time so they may be advised of what is contemplated as far as possible ahead of time for purchasing boxes for the next canning season.

#### FIBER BOXES FOR SHIPMENT OF CANNED FOODS IN HERMETICALLY SEALED CANS

Fiber boxes for canned foods must comply with the following requirements, also with other requirements of Rule 41, except specifications under heading, "All Fiber Boxes not otherwise provided for below," which would be cancelled by proposed specifications:

##### Proposal No. 1: Tentative proposal for revision of specifications for fiber boxes for canned foods in round cans.

Maximum weight of box and contents Pounds	Minimum number of cans per box	Solid fiberboard Minimum thick- ness of board Inches	Double-faced corru- gated fiberboard, (see Notes 2 and 3) Minimum thickness of facings Inches	Minimum test per square inch of combined board Pounds
27	.....	.060	.016	225
40	.....	.070	.016	250
55	48	.080	.016	250
65	18	.080	.018	275
65	Less than 18	.080	{ .016 inside .030 outside }	275
90	.....	.100	.030	325

Tops and bottoms of all boxes must be so made that cans will set on flat surface (at least two-thirds of the diameter of any can to be so resting). If pads are used, they must fill area between flaps.

Minimum test per square inch of combined board must be the average of six tests, three in and three out.

Double-faced corrugated board must have not less than 50 flutes per foot.

Below certificate of box maker, must be printed "Canned food box."

Outside surface of outside facings of double-faced corrugated board must have smooth, hard finish.

##### Proposal No. 2: Tentative proposal for revision of specifications for fiber boxes for canned foods in all cans, round, square or oval.

Maximum weight of box and contents Pounds	Solid fiberboard Minimum thickness of board Inches	Double-faced corru- gated fiberboard (see Notes 2 and 3) Minimum thickness of facings Inches	Minimum test per sq. inch of com- bined board Pounds	Minimum weight of 1,000 sq. ft. of combined board	
27	.060	.016	225	Double-faced corrugated board Pounds	Solid board Pounds
40	.070	.016	250	150	210
55	.080	{ .016 inside .030 outside }	315	156	245
70	.090	.030	350	198	280
90	.100	.030 (see Note)	400	240	315
				265	350

Note—Corrugated sheet must be not less than .012 inch thick.

Tops and bottoms of all boxes must be so made that cans will set on flat surface (at least two-thirds of the diameter of any can to be so resting). If loose pads are used, they must fill area between flaps.

Minimum test per square inch of combined board must be the average of six tests, three in and three out.

Double-faced corrugated board must have not less than 50 flutes per foot.

Below certificate of box maker, must be printed, "Canned food box."

Outside surface of outside facings of double-faced corrugated board must have smooth, hard finish.

**Proposal No. 3:** *Tentative proposal for revision of specifications for fiber boxes for canned foods in round cans, shipped between Atlantic and Pacific coasts (Intercoastal).*

Maximum weight of box and contents <i>Pounds</i>	Maximum number of cans per box	Solid fiberboard Minimum thick- ness of board <i>Inches</i>	Double-faced corru- gated fiberboard, (see Notes 2 and 3) Minimum thickness of facings <i>Inches</i>	Minimum test per square inch of combined board <i>Pounds</i>
27	.....	.065	.016	225
40	48	.080	.016 inside .030 outside	250
50	48	.090	.022 inside .030 outside	275
70	48	.100	.030	325
90	.....	.110	.035	350

Tops and bottoms of all boxes must be so made that cans will set on flat surface (at least two-thirds of the diameter of any can to be so resting). If pads are used, they must fill area between flaps.  
Minimum test per square inch of combined board must be the average of six tests, three in and three out.  
Double-faced corrugated board must have not less than 50 flutes per foot.  
Corrugated sheets must be Kraft paper.  
Below certificate of box maker, must be printed, "Canned food box."  
Outside surface of outside facings of double-faced corrugated board must have smooth, hard finish.

## TRADE RULES FOR PRESERVERS

### Federal Trade Commission Makes Public Trade Practices Rules It Has Approved

Trade practice rules for the preserve industry approved by the Federal Trade Commission were made public by the Commission on September 12th. Each of the rules approved is in Group I as established by the Commission's trade practice conference procedure, as to which it is stated:

"The unfair trade practices which are embraced in Group I rules are considered to be unfair methods of competition within the decisions of the Federal Trade Commission and the Courts, and appropriate proceedings in the public interest will be taken by the Commission to prevent the use of such unlawful practices in or directly affecting interstate commerce."

The rules are as follows:

#### RULE 1

The practice of selling, advertising, describing, branding, marking, labeling or packing of fruit preserves, fruit jams, fruit jellies or apple butter, or any simulation thereof, in a manner which is calculated to mislead or deceive, or has the tendency and capacity or effect of misleading or deceiving, purchasers, prospective purchasers or the consuming public, with respect to the character, nature, content, grade, quality, quantity, substance, material, preparation or manufacture of such product, or in any other material respect, is an unfair trade practice.

#### For Purposes of Such Rule 1:

(a) Preserve, fruit preserve, jam, fruit jam, are understood to mean the clean, sound fruit product possessing definite characteristic flavor of the preserved fruit or fruits named on the label, made by cooking or concentrating to a suitable consistency properly prepared, clean, sound, entire edible portion of fresh fruit, cold-packed fruit, canned fruit, or a mixture of two or all of these, with sugar or with sugar and water, with or without spice or vinegar, or with such harmless organic acids as may be necessary to compensate for natural acid deficiency of the particular fruit used, but excluding acids or acid salts generally recognized as chemical preservatives, and in the preparation of which fruit product there is

used not less than forty-five (45) pounds of actual fruit to each fifty-five (55) pounds of sugar. In the case of fruits deficient in pectin, or whose composition or texture prevent the preparation of preserve or jam as defined herein of the desired consistency, nothing herein shall prevent the addition of small quantities of pectin or pectinous material; provided, however, that if such pectin or pectinous material is added, the ratio of not less than forty-five (45) pounds of fruit to each fifty-five (55) pounds of sugar shall be maintained, and the finished product containing such added pectin shall contain not less than sixty-eight (68) per centum water-soluble solids derived from the fruit and sugar used in its manufacture, as determined by refractometer at twenty degrees (20°) centigrade without correction for the insoluble solids present.

(b) Jelly, fruit jelly, is understood to mean the clean, sound, semisolid, gelatinous fruit product possessing definite characteristic flavor of the fruit or fruits named on the label, made by concentrating to a suitable consistency the strained juice, or the water extract, from fresh fruit, from cold-packed fruit, from canned fruit, or from a mixture of two or all of these, with sugar. In the case of fruits whose composition prevents the preparation of jelly of the proper texture, nothing herein contained shall prevent the use of the small quantity of pectin or pectinous material necessary to produce the proper consistency; and in the use of fruits having a natural acid deficiency, nothing herein shall prevent the use of such harmless organic acids as may be necessary to compensate for natural acid deficiency of the particular fruit used, but excluding acids or acid salts generally recognized as chemical preservatives; provided, however, that such jelly containing such added pectin or pectinous material or such added acidulants shall contain not less than sixty-five (65) per centum water-soluble solids derived from the fruit and sugar used in its manufacture, as determined by refractometer at twenty degrees (20°) centigrade, and its composition shall correspond to a ratio of not less than fifty (50) pounds of actual pure fruit juice, exclusive of added water, to each fifty (50) pounds of sugar in the original batch.

(c) Apple butter is understood to mean the clean, sound product made by cooking or concentrating with sugar or apple juice, or both, the properly prepared, clean, sound, edible portion of apples (either fresh, cold-packed, canned, or evaporated) to a homogeneous semisolid consistency with or without vinegar, salt and spice, or with such harmless organic acids as may be necessary to compensate for natural acid deficiency of the fruit used, but excluding acids or acid



salts generally recognized as chemical preservatives; and which apple butter contains not less than forty-three (43) per centum water-soluble solids as determined by refractometer at twenty degrees (20°) centigrade without correction for the insoluble solids present, and be prepared with not more than twenty (20) pounds of sugar to each fifty (50) pounds of such edible portion of fresh apples, or of their equivalent in cold-packed, canned, or evaporated apples, exclusive of the cores, seeds and skins.

(d) Corn syrup preserve, corn syrup jam, corn syrup jelly and corn syrup apple butter are understood to be fruit products conforming respectively to those specified in paragraphs (a), (b) and (c) above, but in the manufacture of which corn syrup has been substituted wholly for sugar. Corn syrup and sugar preserve, corn syrup and sugar jam, corn syrup and sugar jelly, and corn syrup and sugar apple butter are understood to be fruit products conforming respectively to those specified in paragraphs (a), (b) and (c) above, but in the manufacture of which a combination of corn syrup with a substantial amount of sugar has been substituted for all sugar. Advertising, representing, branding or labeling of any such products as preserve, jam, jelly or apple butter without fully disclosing that the product is such corn syrup or corn syrup and sugar preserve, jam, jelly, or apple butter, as the case may be, with the capacity and tendency or effect of misleading or deceiving purchasers, prospective purchasers or the consuming public, is an unfair trade practice within the meaning of Rule 1.

(e) Honey preserve, honey jam, honey jelly, honey apple butter, are understood to mean fruit products conforming respectively to those specified in paragraphs (a), (b), and (c) above but in the manufacture of which honey has been substituted wholly for sugar. Advertising, representing, branding or labeling of any such honey product without fully disclosing that the same is honey preserve, honey jam, honey jelly or honey apple butter, as the case may be, or without setting forth the word "honey" as prominently or conspicuously as any other word used as descriptive of the product, with the capacity and tendency or effect of misleading or deceiving purchasers, prospective purchasers or the consuming public, is an unfair trade practice within the meaning of Rule 1.

(f) When advertising, representing, branding or labeling any preserve, jam or jelly containing substantial amounts of two or more fruits, although made in conformity with the applicable requirements of paragraphs marked (a), (b), (d) or (e), the kinds of fruit so contained in such products should be prominently and conspicuously disclosed and named on the label in the order of their predominance by weight. Advertising, representing, branding or labeling of any preserve, jam or jelly as containing two or more fruits when each such fruit is not present in substantial and characterising amounts, with the capacity and tendency or effect of misleading or deceiving purchasers, prospective purchasers or the consuming public, is an unfair trade practice within the meaning of Rule 1.

(g) The word sugar as hereinabove used means sucrose or dextrose, or a combination thereof.

#### RULE 2

The practice of advertising, labeling, branding, selling or offering for sale an imitation preserve, jam, jelly, or apple butter, without clearly and prominently disclosing therein that the product is such imitation, with the tendency and capacity or effect of misleading or deceiving purchasers, prospective purchasers or the consuming public, is an unfair trade practice.

#### For the Purposes of Such Rule 2:

(a) Products which contain a smaller proportion of fruit than specified in the applicable requirements set forth in

paragraphs marked (a), (b), (c), (d) and (e), or which otherwise fail to conform with the applicable minimum requirements set forth in such paragraphs, respectively, and which simulate or imitate preserves, jams, jellies or apple butter as described in such paragraphs, and which are used or sold for the same purpose, except fruit pie filling, fruit sauce, fruit butter other than apple butter, mint, wine and calvesfoot jellies, described, represented, labeled and sold as such, and preserved citrus fruit products, is understood to be imitation preserve, imitation jam, imitation jelly or imitation apple butter, respectively; and to avoid deception and confusion of the purchasing public they should be described, represented, labeled and sold as such respective imitation products.

#### RULE 3

Withholding from or inserting in the invoice statements which make the invoice a false record, wholly or in part, of the transaction represented on the face thereof, with the purpose or effect of misleading or deceiving purchasers, prospective purchasers or the consuming public, is an unfair trade practice.

#### EXPLANATORY STATEMENT

These rules do not, in any respect, supplant or relieve any one of the necessity of complying with the legal requirements of the pure food laws or other provision of law. They are established under the Federal Trade Commission Act for the purpose of more effectively stamping out unfair competitive practices in the interest of the public, and to assist in general law enforcement to this end.

#### B.A.E. Revises Canned Lima Bean Standards

The Bureau of Agricultural Economics has issued, under date of September 1, 1936, tentative U. S. Standards for grades of canned lima beans. These tentative standards supersede those promulgated November 10, 1933, which have not been very greatly changed. Perhaps the most important changes in the new standards are:

- (1) The substitution of "a normal lima bean flavor" for the reference to "the distinct flavor of young, fresh lima beans" and similar expressions in the various grades under the standards of 1933.
- (2) The omission of "flavor" from the factors on which the grade is based and the addition of the 25 points accorded flavor under the 1933 standards to "Absence of defects" (10 points) and "Maturity" (15 points).

#### East Indies Cultivating More Derris Root

According to a recent press announcement by the Department of Commerce, interest of American manufacturers in derris or tuba root as a source of insecticide materials has resulted in some active cultivation of the plant in the East Indies, as well as in the Philippines.

As yet imports of derris into the United States have been relatively small. Receipts during the first half of the current year amounted to only 311,000 pounds, valued at \$27,000. More than 95 per cent of the total originated in British Malaya, the balance coming from the Philippines, statistics show.

#### State Association Meeting Dates

The annual fall meeting of the Indiana Cannery Association will be held in the Claypool Hotel at Indianapolis on November 19th and 20th.

The Wisconsin Cannery Association is to hold its meeting at the Schroeder Hotel in Milwaukee on November 18th-20th.

The annual meeting of the Association of Pacific Fisheries will be held at the Del Monte Hotel, Del Monte, California, on November 10th-12th.

### Asparagus Pack in 1936

The asparagus pack in 1936 totaled 2,781,712 cases, or about 262,000 cases more than the 1935 pack. Practically all sections reported an increase over their 1935 pack. On the basis of style of pack, the increase in Regular White was about 215,000 cases, most of which was packed in California. The pack of All Green Asparagus was much smaller in California during 1936 but showed a considerable increase in other sections of the country; the net increase for the United States as a whole was about 47,000 cases.

#### Pack 1936 by States

STATE	Regular white Actual cases	All green Actual cases	Total Actual cases
New Jersey, Del. and Md....	117,289	117,289	117,289
Ill., Ind., Ia. and Nebr.....	8,752	110,079	118,831
Michigan and Ohio.....	4,500	69,408	73,908
Washington, Oregon & Utah..	69,963	69,963	69,963
California.....	1,853,291	496,370	2,349,661
Southern States.....	2,600	49,460	52,060
Total.....	1,869,143	912,569	2,781,712

#### Pack by Can Sizes

CAN SIZE	Regular white Cases	All green Cases	Total Cases
No. 2.....	165,027	470,287	635,314
8 Z.....	24,899	60,933	85,832
No. 1 E (Picnic).....	532,492	170,605	703,097
No. 1 Tall.....	79,784	24,192	103,976
No. 1 Square.....	598,354	23,406	621,760
No. 300.....	351	83,583	83,934
No. 2½.....	382,431	7,561	389,992
No. 10.....	71,383	67,301	138,684
Miscellaneous.....	14,422	4,701	19,123
Total.....	1,869,143	912,569	2,781,712

### Rural Retail Sales in August

Daily average sales of general merchandise in small towns and rural areas for August were about 20 per cent higher in dollar volume than for August, 1935, and were 41 per cent above those for the same month of 1934, according to preliminary estimates of the Bureau of Foreign and Domestic Commerce, based on rural chain store and mail-order sales. Sales for August increased about 9 per cent from July, or less than the usual increase at this season of the year. Sales for the first eight months of the year were 13 per cent above those for the corresponding period of 1935, and were 38 per cent higher than for the same period of 1934.

### Control of Japanese Sardine Output Planned

Under the auspices of the Japan Tinned Foods Association a joint company will be established to control the busi-

ness of canning companies in Japan proper and in Chosen (Korea) packing sardines in tomato sauce, according to a report from the American trade commissioner at Tokyo. The object of the organization is to improve the quality of the product and to control and curtail production.

The new company will be capitalized at 2,000,000 yen and, according to the official publication of the Japan Tinned Foods Association, the output of the canneries under its control will be limited to 1,756,000 cases, of which 1,423,400 will be packed in Japan proper and 332,600 in Chosen.

The output in 1935, according to press reports, was 900,000 cases, and by July of the present year had amounted to 1,000,000 cases, with the prospect of reaching 2,000,000 cases unless steps were taken to control and curtail production.

### Japan Increasing Its Asparagus Output

Prior to 1932 practically the only canned asparagus sold in Japan was American, but since that time two Japanese companies have entered the field, one of which started with a pack of 6,000 cases in 1933 and is expected to put up 30,000 to 40,000 cases this year, according to the American trade commissioner in Tokyo. A second firm is expected to can about 10,000 cases this year.

Shipments of American asparagus to Japan, practically all of which has been the white type, totaled about 807,000 pounds in 1934. In earlier years they have been as high as 1,170,000 pounds.

With the Japanese output of canned asparagus increasing, it is anticipated that imports from the United States will rapidly decline. The domestic product sells at a lower price, and is protected by an import duty. It is predicted that Japan will soon pass from an importing to an exporting basis on canned asparagus.

Asparagus is distinctly a luxury food in Japan, consumed by only a limited class of people. The bulk of the consumption is in hotels, clubs, etc.

### Tomato Canning in Italy

Canning of tomato products did not commence in the Naples district until about August 10th, the late start being due to rather backward ripening of the tomato crop, according to the American consul at Naples.

The tomato crop this year is of good quality. The round variety used for making paste and concentrates is about normal in quantity, but the crop of long tomatoes which are peeled and canned is off about 15 per cent.

At the middle of August canners were paying 25 lire per quintal for the long variety and 20 lire for the round, both prices at the field. Packers expect prices to rise before long because of the active demand and the reported governmental policy of supporting prices of many agricultural products in order to protect the farmers.

Canners expect that the tomato sauce output this year will be about the same as last year, but that the pack of peeled tomatoes will be rather less. They express the opinion that 1936 prices will run approximately 25 per cent higher than those of a year ago because of increased production costs resulting from higher tin plate, coal and packing case prices.

### More Fruits and Vegetables from Cuba

Cuba's shipments of fresh fruits and vegetables to the United States have increased during the current year as compared with 1935, according to the American consul at Habana.

Fresh vegetable shipments in the first eight months totaled 64,348,595 pounds, against 53,021,115 pounds in the corresponding period of 1935. Of these totals, tomatoes accounted for 38,428,656 pounds in 1936 and 35,366,060 pounds in 1935.

At the end of August Cuban exports to the United States of new-crop grapefruit amounted to 8,069,834 pounds. Exports for the present season (July-October) will closely approximate the 11,349,411 pounds shipped during that period in 1934. Exports from July to October, 1935, totaled only 5,846,833 pounds, the crop having been adversely affected by dry weather last year.

Shipments of avocados in the 1936 season (June through September) will amount to about 10,000,000 pounds, which probably is an all-time record, and compares with 8,376,387 pounds in the same period last year.

### Fruit and Vegetable Market Competition

Carlot Shipments as Reported by the Bureau of Agricultural Economics, Department of Agriculture

VEGETABLES	Week ending			Season total to	
	Sept. 12 1935	Sept. 12 1936	Sept. 5 1936	Sept. 12 1935	Sept. 12 1936
Beans, snap and lima	1	10	5	7,945	9,522
Tomatoes	477	340	438	19,721	20,061
Green peas	98	117	135	6,560	6,603
Spinach	8	11	19	5,491	7,504
Others:					
Domestic, compet-					
ing directly	1,714	2,877	2,528	129,770	115,936
Imports competing					
indirectly	29	19	13	43	35
FRUITS					
Citrus, domestic	1,577	1,742	1,407	134,030	97,181
Imports	72	45	66	208	293
Others, domestic	4,565	3,989	4,862	46,899	50,809

### Rainfall and Temperature Records

The following table gives the average temperature and total rainfall for the principal crop growing districts for each of the last two weeks, as shown by the U. S. Weather Bureau reports for selected stations in these districts:

District	Week ended Sept. 8, 1936		Week ended Sept. 15, 1936	
	Temp.	Rain	Temp.	Rain
Maine	61	1.3	63	.4
Western New York	67	.3	71	.6
Tri-States	72	.1	78	.0
South Central Ohio	71	.4	79	.0
Central Indiana	79	1.0	81	.0
Central Illinois	75	.8	80	2.0
Northern Illinois, Southern Wisconsin	70	.9	72	2.1
Southern Minnesota	72	.2	72	.3
Northern Colorado	72	.0	71	.0
Northern Utah	68	.1	67	.0
Northwestern Washington	63	.1	55	1.3
Southeastern Washington	68	.9	60	.0

### Variety Store Sales in August

Daily average sales of variety stores for August, 1936, were about 11 per cent higher in dollar volume than for August, 1935, and likewise showed about the same percentage of increase from August, 1934, according to the Bureau of Foreign and Domestic Commerce. Sales decreased about 9½ per cent from July to August, or more than the usual decline at this season of the year. The aggregate value of sales for the first eight months of the year was about 7½ per cent above that for the same period of 1935.

### New Applicants for Membership

Following is a list of canners making application for membership in the Association since August 29th, when a similar list was published in the INFORMATION LETTER:

National Packing Co., Isleton, Calif.  
Food Products Co., Layton, Utah  
Ready Foods Co., Inc., Chicago, Ill.  
G. B. Morrow, Roxbury, Pa.  
Summitville Canning Co., Ltd., Summitville, Ind.

### Canned Salmon Pack in Alaska

District	Coho Cases	Chum Cases	Pink Cases	King Cases	Red Cases	Total Cases
Bristol Bay (final)	967	23,959	28,921	3,878	1,336,083	1,393,808
Alaska Peninsula (final)	24,029	208,023	511,462	3,254	265,037	1,011,805
Chignik (Aug. 22)	4,413	9,997	33,564	100	98,149	146,223
Kodiak (Sept. 12)	14,363	38,918	394,482	552	203,162	651,477
Cook Inlet (Aug. 8)	31,474	23,594	50,228	19,560	186,493	311,349
Prince William Sound (Sept. 15)	4,430	23,606	608,269	402	13,759	650,466
Copper River (final)				2,495	74,236	76,731
Southeast Alaska:						
Yakutat (Aug. 29)	10,822	103	9,738	1,102	22,559	44,324
Icy Strait (Aug. 22)	8,624	99,590	212,107	22	40,224	360,567
Eastern (final)	12,606	109,107	284,097	5,016	16,689	427,593
Western (Aug. 29)	10,110	146,022	242,902	2,757	25,894	427,685
Wrangell (Sept. 12)	27,627	93,544	326,866	1,085	25,405	474,527
Southern (final)	32,527	192,641	1,222,241	307	60,217	1,507,933
West Coast (final)	23,194	104,038	620,300	9,976	25,716	783,224
Total	205,266	1,073,142	4,545,177	50,506	2,393,621	8,267,712



**WALSH-HEALEY ACT REGULATIONS**

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a much more narrow interpretation, and have limited this exemption to cases "where the contracting officer is authorized by statute or otherwise to purchase in the open market without advertising for proposals." Under existing Federal statutes the general rule is that all government purchases must be made by the procedure of advertising for bids except where public exigency demands immediate delivery or performance. Certain exceptions to this general rule are provided, but for the most part they allow open market purchases only when the amount purchased is relatively small. For example, the Navy Department may purchase supplies and stores in the open market when the amount does not exceed \$500. The exemption is applicable only to these purchases which may be made in the open market without advertisement. These, however, would be exempt without this provision as the Act has no application to contracts involving amounts less than \$10,000. The definition adopted therefore has the practical effect of completely nullifying the exemption.

The Act does not apply to purchases of perishable articles such as dairy, live stock and nursery products. The regulations, however, state that this covers only products subject to decay or spoilage, and does not include products canned or otherwise preserved. The Act also has no application to contracts relating to agricultural or farm products processed for first sale by the original producers. This exempts only those canners who process for first sale to the government products of their own growth.

**Geographical Scope of the Act**

The Act has no application to contracts which are to be performed outside of the geographical limits of the United States, its territories, and the District of Columbia, except where such performance requires a shipment from within such geographical limits.

**Condition of Tomato Crop**

Tomatoes grown for manufacture this year present an unusual situation in regard to the mid-season condition. New York State has reported considerable damage from drought, which caused the plants to lose their first blossoms without setting fruit. Later rains improved the crop, but the cool weather that accompanied these rains retarded ripening. A late frost will be necessary to enable New York State to harvest a fair crop.

The major portion of the crop in the Tri-States has been harvested, with yields reported to be fairly good in most sections. An unusually large percentage of the crop, however, has been sold to markets other than the canning factories.

The Indiana Canners Association reports, as a result of a close check on the tomato situation in Indiana, that the canners are quite discouraged at the result of the outcome of the crop, particularly on account of the delayed ripening of the tomatoes. There is a decided lull in packing, with very few factories operating. About 1 ton per acre has been harvested to date with no prospects of production until the first of next week. Canners feel that there may be a yield

of around 4 tons per acre if there is a late frost. In any event it seems certain that the tomato pack in Indiana will be much shorter than anticipated.

Tennessee-Kentucky Canners Association reports recent rains have materially aided most of the tomato acreage. Late patches are now being harvested. Yields are proving satisfactory on the small acreage that survived the drought.

**Corn and Snap Bean Prospects**

The condition of corn and snap beans for canning on September 1st as reported to the Bureau of Agricultural Economics was noted in last week's INFORMATION LETTER, but the Bureau's estimates of production did not become available in time for inclusion in the LETTER.

Snap bean production, the Bureau estimated on September 1st conditions, will be 73,300 tons as compared with 81,500 tons in 1935. This output, if all used for canning, would be equivalent to a pack of about 6,500,000 cases of No. 2 cans.

Because of improvement in conditions during the last two weeks of August the Bureau's estimate of sweet corn production was about 10 per cent higher than the estimate based on August 15th conditions. The production indicated by September 1st conditions was 581,000 tons, or 32 per cent less than last year.

**Farm Prices Hold to Higher Level**

The general level of prices of farm products in mid-September is about the same as in mid-August, the Bureau of Agricultural Economics reports. Prices of cotton, dairy products, and cattle are somewhat higher, whereas prices of grains, hogs, lambs, and potatoes are slightly lower than a month ago.

The general index of prices received by farmers in mid-August was 124 per cent of the prewar average compared with 115 per cent in July and 106 per cent in August, 1935. The index of prices paid by farmers for commodities purchased was about 126 per cent of the prewar average in August. This compares with 125 per cent in August, 1935. The ratio of prices received to prices paid increased from 93 in July to 98 in August compared with 85 in August, 1935.

**Outlook for Portuguese Sardine Pack**

According to information obtained by the American consul general at Lisbon from fish packers in the south of Portugal, there has been an unusual abundance of sardines. On the south coast the catch has been plentiful. Fish in central Portugal, that is, in the Setubal packing area, have not been plentiful, and packing prospects are only fair. The prospects for the pack in northern Portugal are not favorable, owing to the scarcity of fish.

The disturbed condition of Spain, with the prospect of the Spanish pack being very light and the possibility of increased prices of Spanish oil, upon which the Portuguese pack partially depends, has tended to encourage Portuguese packers to increase their output in anticipation of greater demands for Portuguese sardines at higher prices.

### Rainfall and Yields of Sweet Corn

Rainfall during July and August is usually fairly closely related to the yields of sweet corn in the Midwestern states. The rainfall in these states during July and August this year was about the smallest on record and yields of sweet corn are correspondingly low. The drought in these states this year has frequently been compared with the 1934 situation.

The following table compares the July and August rainfall in the principal sweet corn producing areas of 1934 with 1936.

	July rainfall		August rainfall		Sweet corn yields 1934
	1934	1936	1934	1936	
	Inches	Inches	Inches	Inches	Tons
OHIO					
Columbus.....	2.44	1.8	1.72	1.7	1.9
INDIANA					
Indianapolis.....	2.50	.7	2.49	.3	1.2
ILLINOIS					
Peoria.....	5.44	1.2	2.30	2.0	1.4
MICHIGAN					
Grand Rapids.....	.4	.7	1.62	2.7	.9
WISCONSIN					
Madison.....	3.42	.9	2.21	3.6	2.3
MINNESOTA					
Minneapolis.....	.79	.0	.69	2.3	1.7
IOWA					
Des Moines.....	2.52	.4	1.39	2.3	1.9

### Florida Shipments of Canned Citrus to West Coast

Shipments of canned citrus products from Tampa, Florida, to Pacific Coast points during July and August totaled 17,277 cases of grapefruit juice and 22,454 cases of grapefruit. Of the grapefruit juice, 2,821 cases were destined to Los Angeles, 10,229 to San Francisco, 1,952 to Portland, 1,170 to Tacoma, and 1,105 to Seattle. Of the grapefruit, 2,638 cases went to Los Angeles, 10,351 to San Francisco, 4,375 to Portland, and 5,090 to Seattle. These figures were compiled by the Jacksonville office of the Bureau of Foreign and Domestic Commerce.

### Information on Tariff Rates

A consolidated tabulation of the important American export products benefiting from the trade agreements signed to date, with an indication of the nature of the benefit secured for the particular class of goods in each agreement affecting it, has been prepared by the Division of Foreign Tariffs of the Bureau of Foreign and Domestic Commerce. Copies of this survey, or of the sheets covering particular groups of commodities, are obtainable upon request to that Division at Washington or the nearest district office of the Bureau.

A compilation of all changes in the import duties of the United States since the passage of the Tariff Act of 1930, including all duty reductions or bindings by the United States under the trade agreements signed to date, arranged by schedules and paragraphs of the Tariff Act, has been prepared by the United States Tariff Commission in the form of a pamphlet. This is obtainable from the Superintendent of Documents, Washington, D. C., for 10 cents per copy. A supplement to this pamphlet may be obtained upon request from the Tariff Commission.

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